

63H-6-101. Title.

This chapter is known as the "Utah State Fair Corporation Act."

Renumbered and Amended by Chapter 370, 2011 General Session

63H-6-102. Definitions.

As used in this chapter:

- (1) "Board" means the board of directors of the corporation.
- (2) "Corporation" means the Utah State Fair Corporation created by this chapter.
- (3) "State fair park" means the property owned by the state located at 155 North 1000 West, Salt Lake City, Utah.

Renumbered and Amended by Chapter 370, 2011 General Session

63H-6-103. Utah State Fair Corporation -- Legal status -- Powers.

- (1) There is created an independent public nonprofit corporation known as the "Utah State Fair Corporation."
- (2) The board shall file articles of incorporation for the corporation with the Division of Corporations and Commercial Code.
- (3) The corporation, subject to this chapter, has all powers and authority permitted nonprofit corporations by law.
- (4) The corporation shall, subject to approval of the board:
 - (a) have general management, supervision, and control over all activities relating to the state fair and have charge of all state expositions except as otherwise provided by statute;
 - (b) for public entertainment, displays, and exhibits or similar events:
 - (i) provide, sponsor, or arrange the events;
 - (ii) publicize and promote the events; and
 - (iii) secure funds to cover the cost of the exhibits from:
 - (A) private contributions;
 - (B) public appropriations;
 - (C) admission charges; and
 - (D) other lawful means;
 - (c) establish the time, place, and purpose of state expositions; and
 - (d) acquire and designate exposition sites.
 - (5) (a) The corporation shall:
 - (i) use generally accepted accounting principles in accounting for its assets, liabilities, and operations;
 - (ii) seek corporate sponsorships for the state fair park and for individual buildings or facilities within the fair park;
 - (iii) work with county and municipal governments, the Salt Lake Convention and Visitor's Bureau, the Utah Travel Council, and other entities to develop and promote expositions and the use of the state fair park;
 - (iv) develop and maintain a marketing program to promote expositions and the

use of the state fair park;

(v) in cooperation with the Division of Facilities Construction and Management, maintain the physical appearance and structural integrity of the state fair park and the buildings located at the state fair park;

(vi) hold an annual exhibition that:

(A) is called the state fair or a similar name;

(B) includes expositions of livestock, poultry, agricultural, domestic science, horticultural, floricultural, mineral, and industrial products, manufactured articles, and domestic animals that, in the corporation's opinion will best stimulate agricultural, industrial, artistic, and educational pursuits and the sharing of talents among the people of Utah;

(C) includes the award of premiums for the best specimens of the exhibited articles and animals;

(D) permits competition by livestock exhibited by citizens of other states and territories of the United States; and

(E) is arranged according to plans approved by the board;

(vii) fix the conditions of entry to the exposition described in Subsection (5)(a)(vi); and

(viii) publish a list of premiums that will be awarded at the exhibition described in Subsection (5)(a)(vi) for the best specimens of exhibited articles and animals.

(b) In addition to the state fair to be held in accordance with Subsection (5)(a)(vi), the corporation may hold other exhibitions of livestock, poultry, agricultural, domestic science, horticultural, floricultural, mineral, and industrial products, manufactured articles, and domestic animals that, in its opinion, will best stimulate agricultural, industrial, artistic, and educational pursuits and the sharing of talents among the people of Utah.

(6) The corporation may:

(a) employ advisers, consultants, and agents, including financial experts and independent legal counsel, and fix their compensation;

(b) (i) participate in the state's Risk Management Fund created under Section 63A-4-201; or

(ii) procure insurance against any loss in connection with its property and other assets, including mortgage loans;

(c) receive and accept aid or contributions of money, property, labor, or other things of value from any source, including any grants or appropriations from any department, agency, or instrumentality of the United States or Utah;

(d) hold, use, loan, grant, and apply that aid and those contributions to carry out the purposes of the corporation, subject to the conditions, if any, upon which the aid and contributions were made;

(e) enter into management agreements with any person or entity for the performance of its functions or powers;

(f) establish whatever accounts and procedures as necessary to budget, receive, and disburse, account for, and audit all funds received, appropriated, or generated;

(g) enter into agreements for the leasing of any of the facilities at the state fair

park, if approved by the board; and

(h) sponsor events as approved by the board.

(7) (a) Except as provided in Subsection (7)(c), as an independent agency of Utah, the corporation is exempt from:

(i) Title 51, Chapter 5, Funds Consolidation Act;

(ii) Title 51, Chapter 7, State Money Management Act;

(iii) Title 63A, Utah Administrative Services Code;

(iv) Title 63G, Chapter 6a, Utah Procurement Code;

(v) Title 63J, Chapter 1, Budgetary Procedures Act; and

(vi) Title 67, Chapter 19, Utah State Personnel Management Act.

(b) The board shall adopt policies parallel to and consistent with:

(i) Title 51, Chapter 5, Funds Consolidation Act;

(ii) Title 51, Chapter 7, State Money Management Act;

(iii) Title 63A, Utah Administrative Services Code;

(iv) Title 63G, Chapter 6a, Utah Procurement Code; and

(v) Title 63J, Chapter 1, Budgetary Procedures Act.

(c) The corporation shall comply with the legislative approval requirements for new facilities established in Subsection 63A-5-104(3).

Amended by Chapter 20, 2012 General Session

Amended by Chapter 347, 2012 General Session

63H-6-104. Board of Directors -- Membership -- Term -- Quorum -- Vacancies.

(1) The corporation is governed by a board of directors.

(2) The board is composed of 13 members as follows:

(a) the director of the Division of Facilities Construction and Management or the director's designee;

(b) the commissioner of agriculture and food or the commissioner's designee; and

(c) 11 members appointed by the governor with the consent of the Senate as follows:

(i) two members of the board who are residents of Salt Lake County in which the state fair is held;

(ii) seven members of the board who are not residents of Salt Lake County and are each a resident of a different county than any other member under this Subsection (2)(c)(ii); and

(iii) two members of the board who represent agricultural interests.

(3) (a) (i) Except as provided in Subsection (3)(a)(ii), the governor shall appoint board members to serve terms that expire on the December 1 four years after the year that the board member was appointed.

(ii) In making appointments to the board, the governor shall ensure that the terms of approximately 1/4 of the board expire each year.

(b) Except as provided in Subsection (3)(c), appointed board members serve until their successors are appointed and qualified.

(c) (i) If an appointed board member is absent from three consecutive board meetings without excuse, that member's appointment is terminated, the position is vacant, and the governor shall appoint a replacement.

(ii) The governor may remove an appointed member of the board at will.

(d) The governor shall fill any vacancy that occurs on the board for any reason by appointing a person according to the procedures of this section for the unexpired term of the vacated member.

(4) The governor shall select the board's chair.

(5) Seven members of the board are a quorum for the transaction of business.

(6) The board may elect a vice chair and any other board offices.

Amended by Chapter 139, 2014 General Session

63H-6-105. Executive director.

(1) (a) The board shall:

(i) hire an executive director for the corporation as provided in this subsection;

(ii) conduct a national search to find applicants for the position of executive director; and

(iii) establish the salary, benefits, and other compensation of the executive director.

(b) The board may appoint an interim director while searching for a permanent executive director.

(c) The executive director serves at the pleasure of the board and may be terminated by the board at will.

(d) The executive director is an employee of the corporation.

(e) The executive director may not be a member of the board.

(2) The executive director shall:

(a) act as the executive officer of the board and the corporation;

(b) administer, manage, and direct the affairs and activities of the corporation in accordance with the policies and under the control and direction of the board;

(c) keep the board, the governor, the Legislature, and its agencies, and other affected officers, associations, and groups informed about the operations of the corporation;

(d) recommend to the board any necessary or desirable changes in the statutes governing the corporation;

(e) recommend to the board an annual administrative budget covering the operations of the corporation and, upon approval, submit the budget to the governor and the Legislature for their examination and approval;

(f) after approval, direct and control the subsequent expenditures of the budget;

(g) employ, within the limitations of the budget, staff personnel and consultants to accomplish the purpose of the corporation, and establish their qualifications, duties, and compensation;

(h) keep in convenient form all records and accounts of the corporation, including those necessary for the administration of the state fair;

(i) in cooperation with the board, create:

- (i) business plans for the corporation;
- (ii) a financial plan for the corporation that projects self-sufficiency for the corporation within two years; and
- (iii) a master plan for the state fair park;
- (j) approve all accounts for:
 - (i) salaries;
 - (ii) allowable expenses of the corporation and its employees and consultants;
- and
 - (iii) expenses incidental to the operation of the corporation; and
 - (k) perform other duties as directed by the board.

Renumbered and Amended by Chapter 370, 2011 General Session

63H-6-106. Financial reports -- Audit -- Surety bonds.

- (1) (a) The corporation shall, following the close of each fiscal year, submit an annual report of its activities for the preceding year to the governor and the Legislature.
- (b) The report shall contain:
 - (i) a complete operating report detailing the corporation's activities; and
 - (ii) financial statements of the corporation audited by a certified public accountant according to generally accepted auditing standards.
- (2) (a) At least once a year, the state auditor shall:
 - (i) audit the books and accounts of the corporation; or
 - (ii) contract with a nationally recognized independent certified public accountant to conduct the audit and review the audit report when it is completed.
- (b) The corporation shall reimburse the state auditor for the costs of the audit.
- (c) If the audit is conducted by an independent auditor, the independent auditor shall submit a copy of the audit to the state auditor for review within 90 days after the end of the fiscal year covered by the audit.
- (3) (a) The corporation shall maintain a surety bond in the penal sum of \$25,000 for each member of the board.
- (b) The corporation shall maintain a surety bond in the penal sum of \$50,000 for the executive director.
- (c) The corporation shall ensure that each surety bond is:
 - (i) conditioned upon the faithful performance of the duties of office to which it attaches;
 - (ii) issued by a surety company authorized to transact business in Utah as a surety; and
 - (iii) filed in the office of the State Treasurer.
- (d) The corporation shall pay the cost of the surety bonds.

Renumbered and Amended by Chapter 370, 2011 General Session

63H-6-107. Enterprise Fund -- Creation -- Revenue -- Uses.

- (1) (a) There is created an enterprise fund entitled the Utah State Fair Fund.
- (b) The executive director shall administer the fund under the direction of the

board.

(2) The fund consists of money generated from the following revenue sources:

(a) lease payments from person or entities leasing the state fair park or any other facilities owned by the corporation;

(b) revenues received from any expositions or other events wholly or partially sponsored by the corporation;

(c) aid or contributions of money, property, labor, or other things of value from any source, including any grants or appropriations from any department, agency, or instrumentality of the United States or Utah;

(d) appropriations made to the fund by the Legislature; and

(e) any other income obtained by the corporation.

(3) (a) The fund shall earn interest.

(b) All interest earned on fund money shall be deposited into the fund.

(4) The executive director may use fund money to operate, maintain, and support the Utah state fair, the state fair park, and other expositions sponsored by the corporation.

Renumbered and Amended by Chapter 370, 2011 General Session